

Washington, that will be it. Let's make sure we fully understand the last step we are going to take before we take the first step. It is so easy to get into war; it is so difficult to get out.

There is, obviously, much more to be done in formulating an effective approach to defining the proper guidelines, objectives, and policies for American foreign policy in today's world. We must successfully resolve the debate about NATO's mission statement: Is it going to participate in more offensive operations, or is it going to continue to be a defensive alliance primarily? Are we going to admit more members? Is this a good idea, or a bad idea?

The members of NATO are coming to Washington in a few days. I think we ought to engage in that discussion with NATO, because we have to figure in the relationship with our friends and our allies, because those relationships affect our relationship with other countries.

Our relationship with Russia, for instance—Russia, for all of its troubles, is still the only nation possessing the means to really threaten our physical security. And China? What about China? China, I think, might pose perhaps the greatest policy challenge to us as we enter the 21st century.

Clearly, there is much work to do. But it all starts with the correct articulation of national interests—what is vital to our national interest and what is not, and particularly in terms of the commitment of American young men and women abroad.

For all the challenges and difficulties facing us today, I would like for us to consider the other words spoken by President Kennedy in that 1963 address, on June 10, at American University. He spoke during the height of the cold war. President Kennedy put it this way:

World peace, like community peace, does not require that each man love his neighbor; it requires only that they live together in mutual tolerance, submitting their disputes to a just and peaceful settlement. And history teaches us that enmities between nations, as between individuals, do not last forever. However fixed our likes and dislikes may seem, the tide of time and events will often bring surprising changes in the relations between nations and neighbors. So let us persevere. Peace need not be impracticable and war need not be inevitable. By defining our goal more clearly, by making it seem more manageable and less remote, we can help all peoples to see it, to draw hope from it, and to move irresistibly toward it.

I yield the floor.

Mrs. LINCOLN addressed the Chair.

The PRESIDING OFFICER (Mr. ROBERTS). The distinguished Senator from Arkansas is recognized.

Mrs. LINCOLN. I thank the Chair.

#### MORTGAGE DEDUCTIONS

Mrs. LINCOLN. Mr. President, on tax-filing day, it is customary for Senators to note the many difficulties that taxpayers have complying with a complex and unwieldy tax system. I plan to

highlight some problems with the system later today. But I do think it is important, however, to note that some aspects of our system have worked very well.

Since the Internal Revenue Code was enacted in 1913, the tax system has provided a deduction for mortgage interest. The mortgage interest deduction is one of the simplest, most widely available, and most widely understood of all the provisions in the Code.

What is important about the deduction is the support it provides for a goal that is of paramount importance to all Americans—Homeownership. Just five years ago, the rate of homeownership was declining in our country. Beginning in late 1997, however, the rate of homeownership began to climb, so that now, a record number of American families own their own homes. For the first time in our history, two-thirds of all households own their own homes. Where has the growth in homeownership been most evident? Every age group has expanded its ownership, and, even more importantly for the future of our country, the two categories of homeowners that have seen the greatest rates of growth are first-time homeowners and minorities. It is also notable that within 6 years of naturalization, foreign-born individuals achieve the same rate of homeownership as the nation at large. This is a great achievement that shows that the American Dream is alive and well.

When asked why they want to own their own homes, Americans in all parts of the country note that "Owning my own home is the American dream. That is what it all boils down to, that I own my own home." They do not buy a home to get tax breaks. They buy a home to attain a sense of community. Neighborhoods that have a high rate of homeownership have high rates of voting, participation in schools, and lower crime rates.

It seems that we all complain a great deal about the complexity of the tax system. I think that a great deal of this tax code ridicule is justified. The U.S. Tax Code now consumes more pages than eight Bibles. It is generally too complicated and unfair for most taxpayers. I too believe that the tax code must be streamlined but only while preserving important taxpayer deductions such as the home mortgage deduction. It is important to note that, as far as the tax code goes, one of the easiest steps in the computation process is the mortgage interest deduction. Unlike many more recently created tax breaks, the mortgage interest deduction presents no difficult formulas, calculations, or income limits for taxpayers who utilize the deduction. The lender simply provides the interest and property tax amounts to the homeowner on a Form 1098. The taxpayer then simply transfers these two numbers from the form on to their tax return.

Among the taxpayers who itemize their deductions, 28 million used the

mortgage interest deduction in 1995, the most recent year for which statistics were available. In that group, 71% had incomes below \$75,000, and 42% had incomes below \$50,000. Clearly, the mortgage interest deduction is a significant benefit for middle class taxpayers.

Homeownership is a cornerstone of American life. The tax code has always supported that goal and facilitated the great achievements we have made. The stability and simplicity of the tax policies supporting homeownership have played a crucial role in the progress we have made in keeping the American Dream alive.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call.

Mr. McCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### EXTENSION OF CERTAIN TAX BENEFITS

The PRESIDING OFFICER. Under the previous order, the clerk will report.

The legislative assistant read as follows:

A bill (H.R. 1376) to extend the tax benefits available with respect to services performed in a combat zone to services performed in the Federal Republic of Yugoslavia (Serbia/Montenegro) and certain other areas, and for other purposes.

The Senate proceeded to consider the bill.

Mrs. BOXER. Mr. President, I rise in support of the military tax-filing fairness bill that passed the Senate earlier today. This is an important signal of support to send to our troops in the Balkans as they fight against the forces of ethnic cleansing, mass murder, and genocide. All Americans should be proud of the dedication and professionalism shown by our military personnel in the ongoing NATO operation.

While I am very pleased that we were able to pass this legislation, I am disappointed that I was unable to offer an amendment that would call on Secretary Cohen to do everything in his power to ensure that both parents in dual military couples are not deployed into a combat area.

As the number of United States personnel slated for the Balkans increases—and as there is an increased possibility of a Reserve call-up—I am concerned that situations may arise where children will have to watch both of their parents deployed in combat. It is difficult enough for children to watch one parent go off to war. It is unacceptable that they should have to see both of their parents put in harm's way.

I hope that we will have the opportunity to discuss this matter further